(a) the total number of Mini-Steel Plants closed as on 31st March, 1998;

(b) the total number of workers tendered jobless due to this closures;

(c) the total production capacity remaining idle due to this;

(d) the reaons for the closure of these units; and

(e) the steps taken by Government to prevent the closures?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS): (a) As per available information 139 Electric Arc Furnace units (Mini Steel Plants) are closed as on 31.3.98.

(b) The total number of workers rendered jobless due to closure is estimated to be around 32,000.

(c) The closed units represent total capacity of 4.99 million tonnes per annum.

(d) The performance of these units has been adversely affected due to various reasons such as high power tariffs coupled with poor quality; rising input costs; uneconomic production capacities; outdated technology; labour, financial and managerial problems; and demand slow down.

(e) Under the extant industrial policy, the Iron & Steel Industry has been completely liberalized. Market conditions therefore determine the fate of any unit. In case of sickness, Government provides the institutional mechanism of BIFR (or considering revival option.

Restructuring the Finances or Rashtriya Ispat Nigam

1652. SHRI GURUDAS DASGUPTA : Will the Minister of STEEL AND MINES be pleased to state :

(a) whether Government have decided to restructure the finances of Rashtriya Ispat Nigam; and

(b) if not, when Government will finalise the proposal as Rashtriya Ispat Nigam has the latest equipment?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS): (a) and (b) Government have recently, in May, 1998, approved a financial restructuring of Rashtriya Ispat Nigam Ltd (RINL) and directed RINL to prepare a comprehensive revival plan. A plan has been submitted by RINL and the same is presently under Government's consideration.

Representation from Private Steel Producers

1653. SHRI YADLAPATI VENKAT RAO : Will the Minister of STEEL AND MINES be pleased to state :

(a) whether private steel producers have represented against the move of financial institutions to further flow of funds to the sector; and

(b) the steps taken to assist the industry still at the completion stage?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS): (a) and (b) Some of the steel companies, especially those whose projects are under implementation, have reportedly expressed a view that additional steel capacity may not be funded at present, mainly in the flat products category, due to the present over-capacity and sluggish demand. Department of Steel has advised the financial Institutions to take a pragmatic view on funding the requirements of the steel industry, especially for the projects under implementation.

अजमेर के निकट घूंघरा क्षेत्र में जस्ता भंडार

1654.**श्री ओंकार सिंह लखावत**: क्या इस्पात और खान मंत्री यह बताने की कृपा करेंगे कि:

(क) क्या अजमेर के निकट स्थित घूंघरा क्षेत्र में मिले जस्ता भंडारों में खनने कार्य प्रगति पर हैं;और

(ख) अप्रैल,1998 से इस दिशा में क्या प्रगति हुई तथा तत्संबंधी ब्यौरा क्या हैं ?

इस्तपात और खान मंत्रालय में राज्य मंत्री(श्री रमेश बैस): (क) जी,नहीं।

(ख) प्रश्न नहीं उठता।

Action Plan for Increasing Steel Production

1655. SHRI W. ANGOU SINGH : Will the Minister of STEEL AND MINES be pleased to state :

(a) the steel quota of the North East States on State-wise basis;

(b) whether the steel production in the country can meet the requirement of the people of the country; and

(c) whether Government have any action plan for increasing the steel production to meet the country's requirement?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS): (a) After the decontrol of steel in 1992, there is no quota system for distribution of steel in the country except for five priority sectors viz. defence, railways, North East region, exporters of engineering goods and small scale industries corporations of individual states. As per demand projected by the nodal authorities of States/SSICs of North Eastern States, a supply plan/allocation is made by the Development Commissioner for Iron and Steel.

(b) and (c) At present there is no shortage of most items of steel. Producers of steel are constantly orienting their product mix to meet the market needs. Modernisation and expansion of steel plants has been taken up towards this objective. Since 1991, Government has adopted various policy measures to encourage of creation of additional steel production capacities in the private sector. To supplement domestic availability both in terms of quantity and quality, import of all items of steel is freely allowed as per policy.

Improving Financial Performance of SAIL

1656. SHRI VIJAY J. DARDA : Will the Minister of STEEL AND MINES be pleased to state :

(a) the total investment made so far in PSUs in steel seclor and outlay proposed for the current years for upgradation/ modernisation/expansion of capacity/ diversification PSU-wise particularly for units under SAIL.

(b) the financial performance of steel units under SAIL for the last three years— unit-wise with accmulated losses and reasons therefor;

(c) whether it is a fact that inspite of heavy investment SAIL units are incurring huge losses year after year; and

(d) if so, the details of action plan formulated to improve financial performance of SAIL units ensuring accountability in performance?

THE MINISTER OF STEEL AND MINES (SHRI NAVEEN PATNAIK): (a) Total investment (in terms of depreciated value of fixed assets and capital work in progress) in SAIL Plants and its subsidiaries as on 31.03.1998 and the outlay proposed for 1998-99 for upgradation/modernisation/expansion etc. is as under:

(Rs/Crores)

SAIL Plants	Invest-ment As on 31-3-98	Outlay Proposed in Revised Estimate 1998-99
Bhilai Steel Plant	2695	317
Durgapur Steel Plant	5827	71